GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:210
ANSWERED ON:16.03.2017
Commercial Losses of SEBs
Birla Shri Om

Will the Minister of POWER be pleased to state:

(a) whether several State Electricity Boards (SEBs) are incurring commercial losses;

(b) if so, the details of the loss suffered by each SEB during each of the last three years and the reasons therefor, State-wise;

(c) whether any working group has been constituted by the Government to look into the issue;

(d) if so, the details and the findings thereof; and

(e) the corrective action taken by the Government thereon?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) to (e) : A Statement is laid on the Table of the House.

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STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO.210 TO BE ANSWERED IN THE LOK SABHA ON 16.03.2017 REGARDING COMMERCIAL LOSSES OF SEBs.
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(a) & (b) : Yes, Madam. As per "Report on Performance of State Power Utilities" published by Power Finance Corporation (PFC) Ltd., the aggregate losses of utilities selling power directly to consumers for the years 2012-13 to 2014-15 is furnished below:

	2012-13	2013-14	2014-15
Profit/(Loss) on subsidy received basis (Rs. in crore)	(71,621)	(67,336)	(58,275)

The state-wise and utility-wise details are given at Annexure.

The reasons for losses being made by State utilities, inter-alia, include high cost of servicing debt, high cost of power, high Aggregate Technical and Commercial (AT&C) losses and low revenue realization.
(c) to (e) : No working Group has been constituted by the Government. However, based on extensive stakeholder consultation by the Government with Banks, Financial Institutions and States/Utilities, the Government has launched Ujwal Discom Assurance Yojana (UDAY) for improving the financial and operational health of DISCOMs on 20th November, 2015. The scheme aims to reduce interest costs and the cost of power, while introducing several measures to improve operational efficiencies and increase revenue realization. Further, to improve power distribution system, the Government has launched two schemes, namely, Integrated Power Development Scheme (IPDS), Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY).

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